

FISCAL YEAR 2008 - 2009
EXECUTIVE BUDGET
RECOMMENDATION

SUMMARY



VIRG BERNERO, MAYOR



Virg Bernero
Mayor

OFFICE OF THE MAYOR

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March 24, 2008

President Brian Jeffries and Council Members
Lansing City Council
124 W. Michigan Avenue – Tenth Floor
Lansing, MI 48933

Dear President Jeffries and Council Members:

I am pleased to present to you my Executive Budget Recommendation for the fiscal year beginning July 1, 2008.

In keeping with the principles of sound fiscal management I have pursued over the last two years, my Fiscal Year 2009 budget plan balances anticipated revenues and expenditures without increasing the general property tax rate and without using our reserves. In accord with our obligations to Lansing residents, the City will remain financially sound and vital city services will continue.

My budget proposal includes continued strong support for police and fire services, including new investments in the tools and facilities needed to protect our City. We will continue to strengthen neighborhoods across Lansing, with particular emphasis on residential and commercial code enforcement, bolstered by the creation of a new Neighborhood Empowerment Office and the implementation of my proposed Homestead Improvement Rebate program.

My budget for FY2009 increases our investment in Lansing's public infrastructure, focusing in particular on the repair of major and local streets damaged by the extremely harsh winter. Our energetic efforts to attract new residents, encourage business growth, and facilitate new job-creating investments will continue and increase in the year ahead. To protect and enhance the quality of life in our community, we will continue our investment in parks and recreation programs for people of all ages and reaffirm our unwavering support for human services to vulnerable populations, including at-risk children, senior citizens, and homeless individuals and families.

And, we will continue the relentless pursuit of improvements in City operations that will make us more efficient and reduce costs in the future. In short, my budget plan allows us to continue providing the quality public services our citizens expect from their City government. Implementing this plan will be challenging and will require the cooperation and partnership of both the City Council and our employees.

"Equal Opportunity Employer"

The most daunting challenge for this budget, and for the ones to follow, is the ongoing structural deficit. In simple terms, a structural deficit means that the rate of increase in our expenses continually outpaces the increase in our revenues. As a service organization, 75% of our General Fund expenses are related to employee compensation – wages, health insurance, pension payments and other benefits. Taken together, these costs are rising nearly three times faster than our income. We cannot resolve this structural deficit without addressing the rising costs of employee compensation.

In this challenging economic environment, it is clear that we cannot attempt to do everything we currently do in the same way we have always done it. Nor can we resolve the fundamental and ongoing structural deficit in our budget by simply maintaining the status quo.

This challenge can only be overcome by either bringing the growth of our compensation costs (wages and fringe benefits) in line with our revenue growth or by continuing to reduce the size of our workforce. My strong preference is to partner with our employees to limit increases in compensation and to increase employee participation in the cost of health care benefits. I am calling upon our city employees and the unions that represent them to work with me now to make the changes necessary to reduce our structural deficit in the future.

If we are unable to achieve significant savings by limiting increases in the costs of employee compensation, the size of our workforce will again be reduced. Since 2005, the city workforce has been reduced by 20% in non-public safety positions (a 10% reduction overall) by eliminating positions as they have become vacant. Due to the low vacancy factor that now prevails, it will not be possible to reduce the size of our workforce without layoffs. We must work together to make the difficult but vital decisions needed to reduce the ever-increasing rate of compensation costs, including wages, health insurance, and pensions.

As we enter into these vital discussions, I must reiterate that I have not and will not ask our employees to make sacrifices that I am not also willing to make. Since taking office I have already implemented significant cost containment measures for my executive team. These include reductions in fringe benefits (eliminated compensation time and capped accrued sick leave), increased co-payments for prescription drugs and office visits and a three-tier prescription drug rider. Our management team -- myself included -- also are the only City employees to pay a share of our health insurance premiums.

Above all, we must remember that the people we serve are making sacrifices, too. In this daunting economic climate, where rising foreclosure rates and the high cost of energy are challenging the financial security of families in every neighborhood in Lansing, it would be unrealistic and unfair to believe that we are immune from the necessity of leading by example.

I look forward to reviewing the details of my recommended budget with you over the next several weeks.

Sincerely,

A handwritten signature in black ink, appearing to read "Virg Bernero", with a stylized flourish at the end.

Virg Bernero
Mayor of Lansing

MAYOR VIRG BERNERO'S PROPOSED FISCAL YEAR 2009 BUDGET

EXECUTIVE SUMMARY

The budget proposed by Mayor Bernero totals \$199.1 million, of which \$113.7 million is the General Fund Budget. In comparison to this year, the proposed total budget for FY09 is \$6.7 million or 3.5% greater, including capital expenditures. The proposed General Fund budget, which provides the majority of operational expenses for city services, is \$1.7 million or 1.5% greater than this year.

The property tax rate supporting the City's budget is 15.88 mills, the same as the current year. The owner of a \$150,000 residence can expect to pay as much as \$1,200 in property taxes, which represents an increase of 2.3%. In addition, if employed with an adjusted gross income of \$40,000, that Lansing resident would also pay as much as \$400 in city income tax.

The proposed budget is based on revenues derived from a continuation of the current general tax rate and the anticipated receipt of funds from income taxes, state funds, and certain fees and charges. In the proposed General Fund Budget, property tax revenues will increase by less than 1%, income tax revenues will increase by slightly over 2%, and state shared revenues are projected to decrease by 2%. The Mayor's budget does not anticipate that any of the City reserves will be used.

Essential City services will continue to be provided at a more than adequate level:

- PUBLIC SAFETY - Police, fire, and emergency medical services will be provided at levels that generally exceed the levels provided in comparable urban communities. The emphasis on community policing and expansion of Neighborhood Watch programs will continue. An additional ambulance will be added to the fleet in response to increased demand for emergency medical services. The feasibility of consolidating police operations and consolidating 2 of our 9 fire stations will be evaluated. Police in-car laptops will be replaced and in-car video systems will be installed. Phase replacement of police cruisers, fire turnout gear and self-contained breathing apparatus will be funded.
- INFRASTRUCTURE - Increased investment will be placed on maintaining the City's public infrastructure of roads, sidewalks, sewers and storm drains. There will be a strong focus in particular on the continuing repair of the major and local streets damaged by this extremely harsh winter. Construction associated with the mandated Combined Sewer Overflow program will continue along with planning for Sanitary Sewer Overflow program. Replacement of City sidewalks will be continued. Consideration of an ordinance requiring walkable/bikeable standards for all future road programs is recommended.

- NEIGHBORHOODS - Strengthening our neighborhoods will remain a priority with continued emphasis on residential and commercial code enforcement, bolstered by the creation of the new Neighborhood Empowerment Office (in cooperation with the Greater Lansing Housing Coalition), and implementation of the Homestead Improvement Rebate program. The NEO will provide a central point for directing and coordinating City activities to improve neighborhoods. The Mayor's Homestead Improvement Rebate program will provide incentives for the rehabilitation of substandard properties and the encouragement of home ownership.
- ECONOMIC GROWTH - Efforts to attract new residents, encourage business growth, and facilitate new job-creating investments will continue and increase with vigor. The Economic Development Corporation will put extra emphasis on marketing of City assets to prospective residents and investors. Way-finding signs will be extended throughout the City. The process of updating the City's 50 year old Master Plan will continue.
- RECREATION AND PARKS - The Mayor's continued commitment to parks and recreation programs for all people is clear in this budget. A new level of funding is provided for the opening of the Southside Community Center, which will be an integral part of our parks and recreation programming on the south side. Increased funding is provided to insure adequate summer help for the maintenance of our parks and cemeteries. Increased funding is provided to carry out the parks improvement programs recommended by the Parks Board. In recognition that the operation of four golf courses is not justified or sustainable, the City's commitment to golf will be to maintain the Grosebeck Course and the Sycamore Driving Range, while seeking to develop, in partnership with others, alternate public recreational uses for the Waverly and Red Cedar Golf courses that preserve public greenspace. A search for partnerships to enable the continuation of naturalist education programming at Fenner Nature Center is also anticipated.
- HUMAN SERVICES - The Mayor's strong support of services to those most in need, including at-risk children, senior citizens, and homeless individuals and families, continues unabated, utilizing the 1.25% of general fund revenues which are dedicated by ordinance to that purpose. In the year ahead, we will increase efforts to resolve the issues of homelessness, which has been exacerbated by the state of the economy and the foreclosure crisis.
- EFFICIENCIES - New investments in technology and capital projects will make the City more efficient, reduce costs in the future, and enhance customer service. Planning for the consolidation of garage operations, of permitting functions, and of receipting functions, in addition to fire station and police precincts, will take place. Continuing investments in technology, including upgrades to computer systems, implementation of a document management system, installation of new accounts receivable/receipting software, purchase of new software for Code Compliance, and implementation of an automated employment application

system are recommended. Ongoing evaluation of the need for every position will occur as they become vacant.

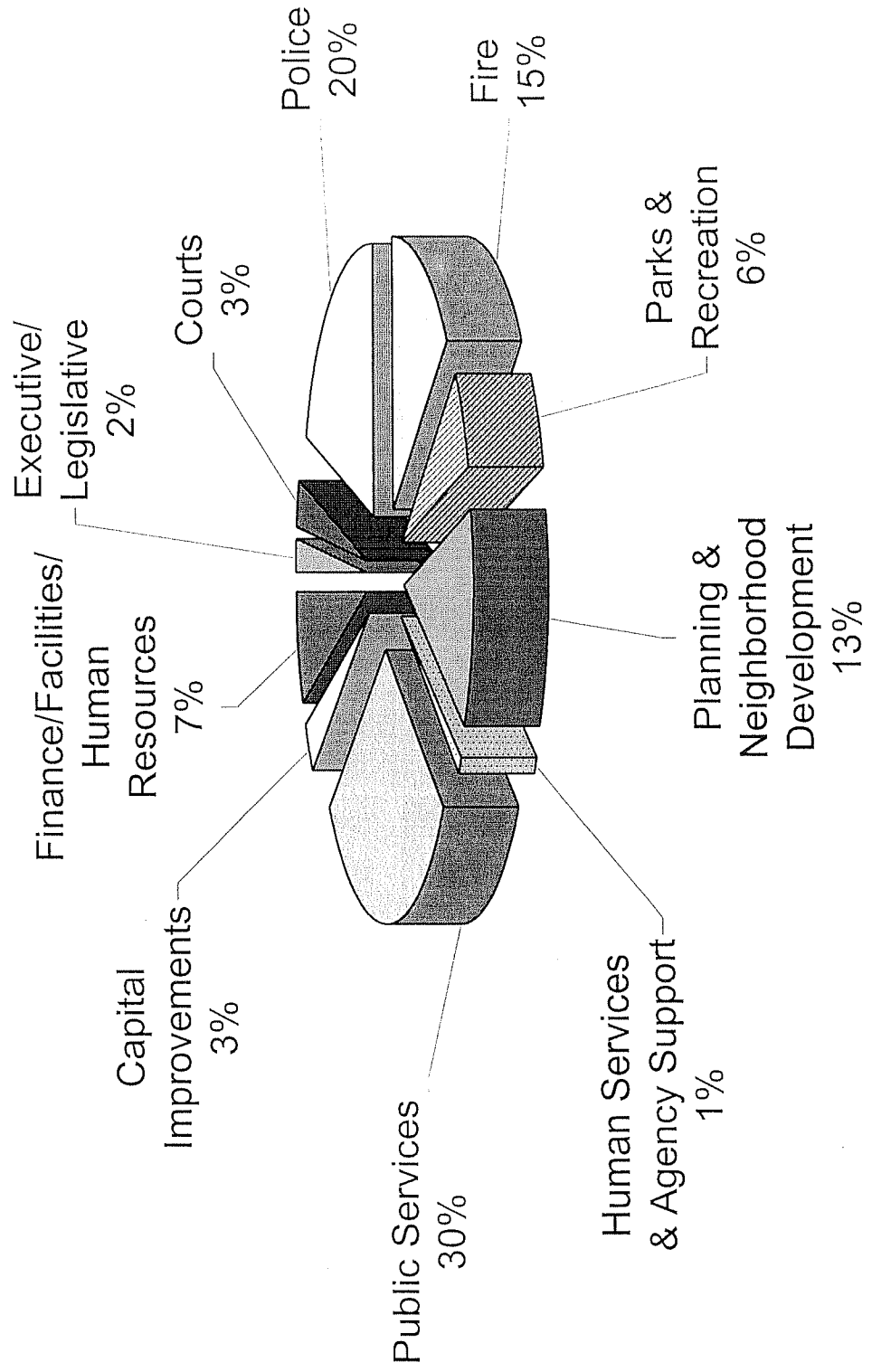
The Mayor's proposed budget eliminates a projected \$6 million deficit. This structural deficit is the gap between projected income and the projected expenses of continuing all current City services, staffing and programs at their current levels. The proposed budget reduces this deficit to \$3.3 million by a combination of limiting spending increases for operational costs and some specific revenue increases.

The Mayor's budget proposes to address the remaining \$3.3 million of this deficit by working with the City's labor unions and employees to make the changes necessary to reduce the growth of ever-increasing compensation costs - wages, health insurance, and pensions in particular. Nearly 75% of the City's General Fund expenses are related to employee compensation, and the rate of increases for these costs significantly exceeds the rate by which revenues increase. For this budget alone, while General Fund revenues are projected to increase by \$1.2 million, the costs for employee compensation are projected to increase by \$3.3 million or nearly three times that amount. It is not possible to arrive at a balanced spending plan without either reducing the costs associated with employee compensation, or further reducing the City's workforce.

It is the strong desire of the Mayor that further reductions in the City's workforce be avoided if possible. However, in the event that agreements are not reached which reduce the increase in costs related to employee compensation, staffing reductions will be necessary. Should the remaining \$3.3 million deficit need to be completely addressed by further reductions in the workforce, as many as 50 of the City's 1,146 positions could be affected. The Mayor has set a target date of June 1, 2008 for agreements to be reached.

Fiscal Year 2008/2009 City-Wide Budget

\$199,051,288



FY 2008/2009 City-Wide Budget by Department/Service Type

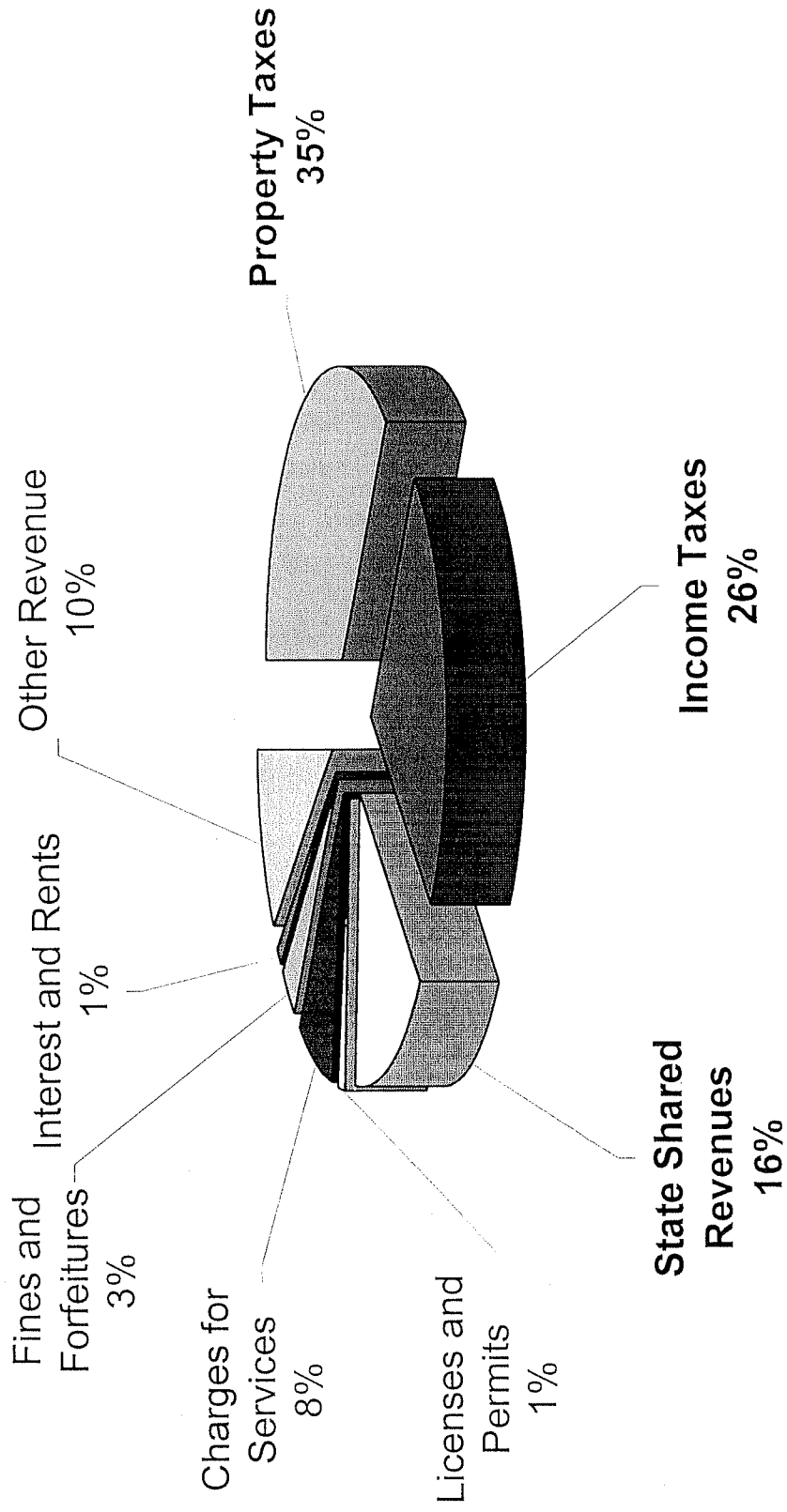
<u>Department</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>	<u>Percent of Total Budget</u>
Mayor's Office	730,498	-	730,498	0.36%
City Council	692,651	-	692,651	0.34%
Internal Auditor	153,101	-	153,101	0.08%
Cablevision	196,318	-	196,318	0.10%
Attorney's Office	1,343,277	-	1,343,277	0.66%
City Clerk	989,853	-	989,853	0.49%
Subtotal - Executive/Legislative	4,105,698	-	4,105,698	2.01%
Courts	5,630,323	-	5,630,323	2.76%
Police	34,665,473	895,420	35,560,893	
Police - 911 Dispatch	125,000	5,357,105	5,482,105	
Subtotal - Police	34,790,473	6,252,525	41,042,998	20.14%
Fire	29,633,908	-	29,633,908	14.54%
Parks & Recreation - General Fund	9,434,848	-	9,434,848	
Parks Capital Improvements	1,250,000	174,606	1,424,606	
Parks - Golf	100,000	737,663	837,663	
Parks - Cemeteries	447,787	290,760	738,547	
Subtotal - Parks	11,232,635	1,203,029	12,435,664	6.10%
Planning & Neighborhood Development	3,880,305	5,076,679	8,956,984	
Parking	-	13,983,167	13,983,167	
Economic Development Corporation	339,160	-	339,160	
Principal Shopping District	42,075	433,880	475,955	
LEPFA/Stadium	2,016,821	550,214	2,567,035	
Subtotal - Planning & Neighborhood Dev.	6,278,361	20,043,940	26,322,301	12.92%
Human Relations & Community Services Dept.	983,505	-	983,505	
Human Services	1,425,000	-	1,425,000	
City Supported Agencies	260,000	-	260,000	
Subtotal - Human Relations/Agency Support	2,668,505	-	2,668,505	1.31%
Public Services	5,583,870	-	5,583,870	
Public Services - Roads	1,421,222	14,255,675	15,676,897	
Public Services - Sewer	-	35,909,068	35,909,068	
Public Services - Refuse	-	1,605,418	1,605,418	
Public Services - Recycling	-	3,525,624	3,525,624	
Subtotal - Public Services	7,005,092	55,295,785	62,300,877	30.57%
Capital Improvements	1,910,000	455,000	2,365,000	
Library Building Rental	150,000	-	150,000	
Debt Service	1,617,831	2,144,009	3,761,840	
Subtotal - Capital Improvements	3,677,831	2,599,009	6,276,840	3.08%
Finance (Includes Property & Fleet Mgmt)	11,359,067	-	11,359,067	5.57%
Human Resources	2,025,107	-	2,025,107	0.99%
Vacancy Factor	(1,400,000)	-	(1,400,000)	
Cost Reduction Measures	(3,350,000)	-	(3,350,000)	
	113,657,000	85,394,288	199,051,288	

Note: Transfers from other funds are netted out from expenditures so as not to overstate total funding.

Where the Money Comes From

FY 2008/2009 General Fund Budgeted Revenues

\$113,657,000



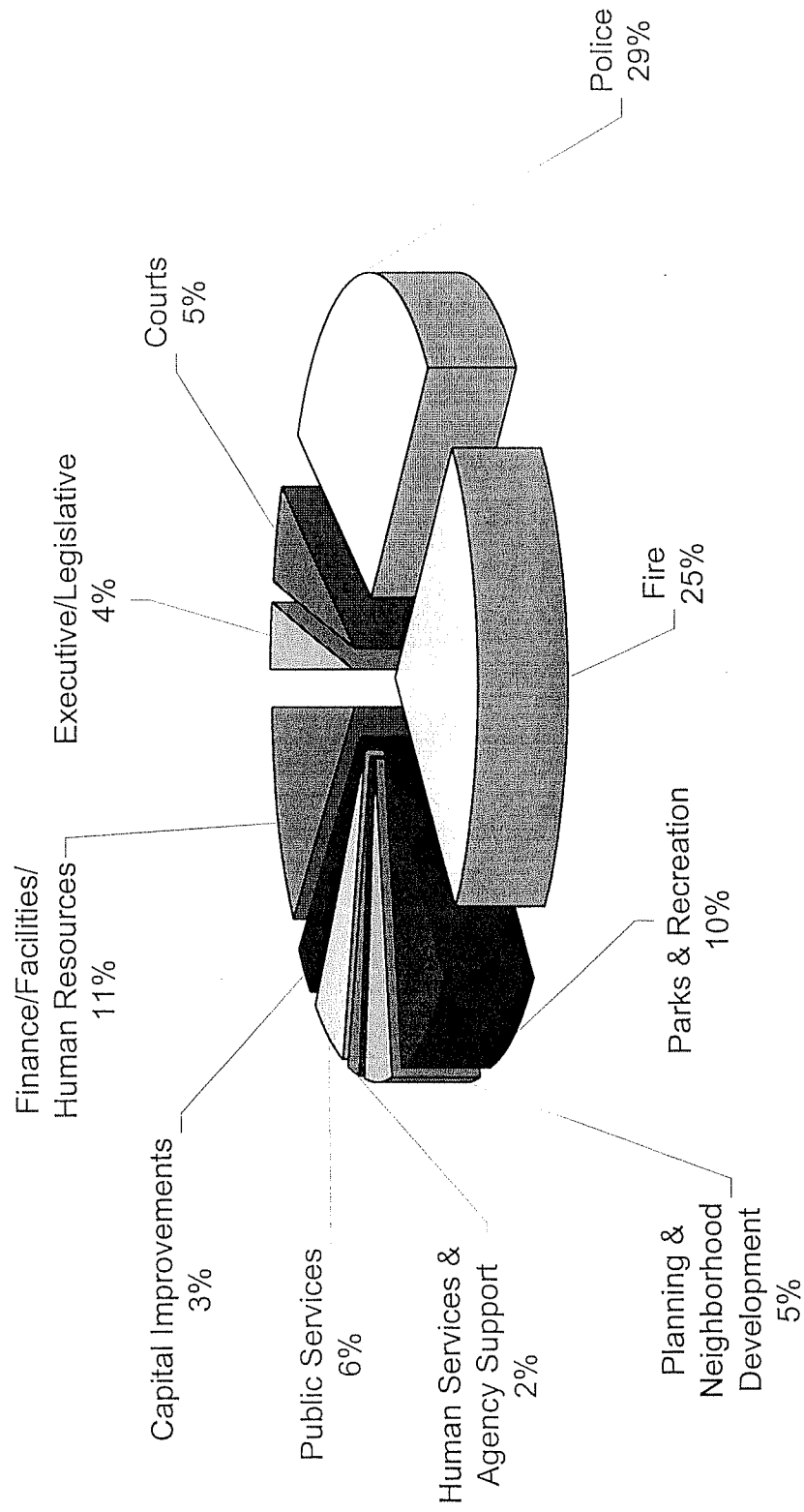
City of Lansing
Fiscal Year July 1, 2008 - June 30, 2009
General Fund Revenue (excluding use of reserves)

	FY 2007 <u>Actual</u>	FY 2008 Adopted <u>Budget</u>	FY 2008 <u>Projected</u>	FY 2009 <u>Proposed</u>	% Change FY08 Adopted FY09 Proposed
Property Taxes	38,213,263	39,609,175	39,697,604	39,899,244	0.7%
Income Taxes	28,209,913	28,774,000	29,275,497	29,400,000	2.2%
<u>State Revenues</u>					
State Revenue Sharing	16,369,853	16,985,974	16,369,863	16,703,084	
Fire Reimbursement Grants	903,023	900,000	850,000	850,000	
Liquor License Fee	68,061	84,000	67,584	69,000	
	<u>17,340,937</u>	<u>17,969,974</u>	<u>17,287,447</u>	<u>17,622,084</u>	-1.9%
<u>Licenses & Permits</u>					
Business Licenses	62,462	52,140	51,490	51,125	
Building Licenses & Permits	38,655	10,450	22,555	21,500	
Non-Business Licenses	139,039	165,750	131,223	126,199	
Cable Franchise Fees	863,724	1,095,000	1,076,000	1,250,000	
	<u>1,103,880</u>	<u>1,323,340</u>	<u>1,281,268</u>	<u>1,448,824</u>	9.5%
<u>Charges for Services</u>					
Reimbursements	3,556,324	2,954,542	2,960,342	2,907,922	
Appeals & Petitions	67,966	69,300	70,964	71,600	
Code Compliance	702,392	821,850	681,500	744,120	
Public Safety	2,551,229	2,918,800	2,795,870	2,987,700	
Subscriptions and Information	1,931	1,800	1,200	2,000	
Work for Others	538,557	933,500	835,014	1,258,200	
Central Stores	815	1,700	1,000	1,000	
Recreation Fees	566,380	558,710	524,683	570,911	
	<u>7,985,594</u>	<u>8,260,202</u>	<u>7,870,573</u>	<u>8,543,453</u>	3.4%
Fines & Forfeitures	3,912,695	4,257,000	3,801,101	3,910,975	-8.1%
<u>Interest & Rents</u>					
Interest Income	1,389,121	1,466,415	1,374,176	1,208,230	
Rental Income	30,479	15,000	29,890	29,890	
	<u>1,419,600</u>	<u>1,481,415</u>	<u>1,404,066</u>	<u>1,238,120</u>	-16.4%
<u>Return on Equity</u>					
Board of Water and Light	9,910,616	9,700,000	10,175,000	10,600,000	
Sewer Fund	300,000	300,000	300,000	300,000	
	<u>10,210,616</u>	<u>10,000,000</u>	<u>10,475,000</u>	<u>10,900,000</u>	9.0%
<u>Other Revenues</u>					
Sale of Fixed Assets	-	104,000	34,000	46,000	
Donations & Contributions	55,738	71,700	104,244	38,300	
Miscellaneous	210,638	100,500	101,928	128,000	
	<u>266,376</u>	<u>276,200</u>	<u>240,172</u>	<u>212,300</u>	-23.1%
Total General Fund Revenues before Southside Community Center Transfer	<u>108,662,874</u>	<u>111,951,306</u>	<u>111,332,728</u>	<u>113,175,000</u>	1.1%
Transfer from Capital Funds of Southside Community Center	318,000	-	-	482,000	
Total General Fund Revenues	<u>108,980,874</u>	<u>111,951,306</u>	<u>111,332,728</u>	<u>113,657,000</u>	1.5%

How the Money Is Spent

FY 2007/2008 General Fund Budget

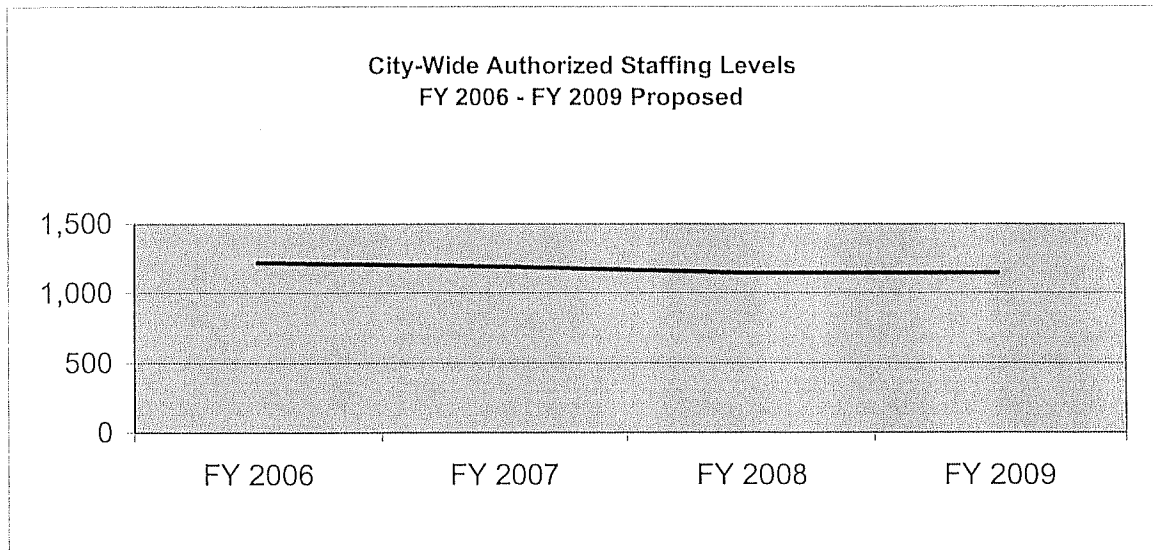
\$113,657,000



City of Lansing
Fiscal Year July 1, 2008 - June 30, 2009
General Fund Summary

	FY 2007 <u>Actual</u>	FY 2008 Adopted <u>Budget</u>	FY 2008 Projected <u>Projected</u>	FY 2009 <u>Proposed</u>	% Change FY08 Adopted FY09 Proposed
Beginning General Fund Balance	7,078,185	6,884,150	6,884,150	6,907,172	
Beginning Budget Stab. Fund Balance	5,728,059	5,728,059	5,728,059	5,728,059	
Total General Fund Reserves	12,806,244	12,612,209	12,612,209	12,635,231	
Revenues (detail on previous page)	108,980,874	111,951,306	111,332,728	113,657,000	
<u>Expenditures:</u>					
Council	570,151	798,873	731,259	692,651	-13.3%
City Television	191,196	248,172	236,150	196,318	-20.9%
Internal Audit	165,163	148,016	143,715	153,101	3.4%
District Court	4,608,042	5,244,776	5,005,023	5,467,323	4.2%
Circuit Court Building Rental	123,418	200,000	138,578	163,000	-18.5%
Mayor's Office	771,685	737,661	712,347	730,498	-1.0%
City Clerk's Office	959,492	980,943	970,863	989,853	0.9%
Planning & Neighborhood Development	3,520,254	3,617,494	3,498,935	3,710,014	2.6%
Finance	10,954,364	11,038,651	10,823,183	11,359,067	2.9%
Human Resources	1,881,759	1,996,462	1,831,803	2,025,107	1.4%
City Attorney's Office	1,298,292	1,304,282	1,275,143	1,343,277	3.0%
Vacancy Factor	-	(1,800,000)	-	(1,400,000)	-22.2%
Cost Reduction Measures	-	-	-	(3,350,000)	100.0%
Police	31,289,680	33,448,187	32,906,900	34,542,203	3.3%
Fire	28,223,902	28,847,325	28,417,911	29,633,908	2.7%
Public Services	5,022,833	5,817,314	5,471,149	5,583,870	-4.0%
Human Relations & Community Services	947,515	973,511	964,552	983,505	1.0%
Parks & Recreation	7,610,688	8,580,093	7,744,323	9,434,848	10.0%
Human Services	1,298,066	1,400,000	1,488,283	1,425,000	1.8%
City Supported Agencies	372,900	260,000	285,000	260,000	0.0%
Library Building Rental	142,029	165,000	142,800	150,000	-9.1%
Debt Service	923,640	1,467,000	1,516,752	1,441,455	-1.7%
Transfers:					
911 Dispatch Center	22,800	-	-	125,000	100.0%
Stadium Fund	641,000	900,000	900,000	900,000	0.0%
Building Safety Fund	121,022	100,000	215,747	509,451	100.0%
Emergency Shelter Grant Match	92,589	-	-	-	-
State & Federal Grant Matches	347,266	78,670	78,670	123,270	56.7%
Principal Shopping District	42,075	42,075	42,075	42,075	0.0%
Debt Service Funds	186,465	186,226	183,376	176,376	-5.3%
Major Streets Fund	338,000	104,428	104,428	341,093	226.6%
Local Streets Fund	-	330,689	330,689	1,080,129	100.0%
Capital Improvements Fund	1,201,556	1,255,000	835,825	993,000	-20.9%
Parks Millage Fund	894,128	1,200,000	1,200,000	1,250,000	4.2%
Potter Park Zoo Fund	1,905,249	-	-	-	-
Cemeteries Fund	351,615	346,732	392,315	447,787	29.1%
Golf Fund	430,096	100,000	891,050	100,000	100.0%
Sewer Fund	248,117	-	-	-	-
Refuse Fund	90,770	-	-	-	-
Recycling Fund	52,727	-	-	-	-
Fleet Fund	162,000	645,000	645,000	917,000	
LEPFA	1,172,365	1,188,726	1,188,726	1,116,821	-6.0%
Total Expenditures	109,174,909	111,951,306	111,312,571	113,657,000	1.5%
Fund Balance Increase/(Decrease)	(194,035)	-	20,157	-	
Total Ending Reserves	12,612,209	12,612,209	12,632,366	12,635,231	0.2%
General Fund Reserves as a Percent of Revenues	11.6%	11.3%	11.3%	11.1%	
Fund Balance Restrictions	(2,463,014)	(2,400,000)	(2,400,000)	(2,400,000)	
Unrestricted Ending Reserves	10,149,195	10,212,209	10,232,366	10,235,231	
Unrestricted Reserves as a Percent of Revenues	9.3%	9.1%	9.2%	9.0%	

Summary of Full-Time Positions by Department
(Includes Elected Officials)



	<u>FY 2006</u> <u>Adopted</u>	<u>FY 2007</u> <u>Adopted</u>	<u>FY 2008</u> <u>Adopted</u>	<u>FY 2009</u> <u>Proposed</u>
City Council	12.00	11.00	11.00	11.00
Cable Television	2.00	2.00	2.00	2.00
Internal Audit	2.00	2.00	2.00	2.00 ⁽¹⁾
Clerk Staff	7.00	7.00	7.00	7.00
Court/Probation Staff	55.00	55.00	53.00	53.00
Mayor Staff	7.00	5.00	5.00	5.00
Planning & Neighborhood Development	102.00	97.00	90.00	90.00
Finance	111.75	129.00	118.00	118.00 ⁽²⁾
Human Resources	12.00	14.00	14.00	14.00
City Attorney	12.00	12.00	12.00	12.00
Police	337.00	338.00	342.00	342.00 ⁽²⁾
Fire	235.00	235.00	235.00	235.00 ⁽³⁾
Public Service	219.00	188.00	181.00	181.00
Human Relations & Community Services	10.00	9.00	8.00	8.00
Parks & Recreation	96.00	86.00	65.00	66.00 ⁽⁴⁾
Total Authorized	1,219.75	1,190.00	1,145.00	1,146.00 ⁽⁵⁾

⁽¹⁾ One (1) authorized position is not budgeted in FY 2009, nor was it budgeted in FY 2007 or FY 2008.

⁽²⁾ One (1) authorized position is not budgeted in FY 2009, nor FY 2008..

⁽³⁾ Eighteen (18) authorized positions are not budgeted in FY 2009, the same as FY 2008. In FY 2007, there were 16 authorized positions not budgeted, and in FY 2006, there were 15.

⁽⁴⁾ Eighteen (18) Parks Zoo positions are being transferred to Ingham County for FY 2008.

FY 2009 Capital Improvement Program

FY 2009 Capital Improvement Program		Funding Sources									
Project	FY 2009 Appropriation	General Fund	Garage Fund	Parking Fund	Street Funds	Sewer Fund	Parks Millage	Special Assessments	Grants/ Trusts	Bonds/ Loans	
<u>Facilities</u>											
Facility Capital Improvements	450,000	450,000									
Lansing Center Point of Service Project	135,000	135,000									
Consolidation/Facility Studies	100,000	100,000									
Subtotal	685,000	685,000	-	-	-	-	-	-	-	-	
<u>Finance/Information Technology</u>											
Computer Replacements	125,000	125,000							350,000		
Public Education & Gov't Television Capital Improvements	350,000										
Software Packages	1,230,000									1,230,000	
Subtotal	1,705,000	125,000	-	-	-	-	-	-	350,000	1,230,000	
<u>Public Safety</u>											
Radio Lab Tower	16,000	16,000									
Fire Turnout Gear	108,000	108,000									
Fire Self-Contained Breathing Apparatus	28,000	28,000									
Fire Station 41 Apron	34,000	34,000									
Fire Investigation Evidence Storage	16,000	16,000									
Fire Training Tower Overhead Doors	21,000	21,000									
Ambulance	140,000									140,000	
Police Cruisers	320,000	320,000									
Police In-Car Video	400,000									400,000	
Police Laptop Computer Replacements	370,000									370,000	
Subtotal	1,453,000	223,000	320,000	-	-	-	-	-	-	910,000	
<u>Planning & Neighborhood Development</u>											
City Master Plan Project	200,000	200,000	-	-	-	-	-	-	-	-	
<u>Parking Fund</u>											
Parking Ramp Restoration	1,610,000			1,610,000							
Security/Customer Service Assistance System	100,000			100,000							
Pedway Repairs	250,000			250,000							
Wayfinding Signage	110,000			110,000							
Subtotal	2,070,000	-	-	2,070,000	-	-	-	-	-	-	
<u>Parks & Recreation</u>											
Professional Services	81,701						81,701				
Rivertrail Maintenance & Repair	80,000						80,000				
Citywide Maintenance & Repair	80,000						80,000				
Fenner Nature Center Deck Replacement	30,000						30,000				
Playground Equipment Replacement & Repair	210,000						210,000				
Frances Park Improvements - Phase I	150,000						150,000				
Frances Park Waterfront Improvements (DNR Grant Match)	197,905						197,905				
Forestry Tree Inventory Software	150,000						150,000		100,000		
Davis Park Trail Improvements	150,000						50,000				
Gier Gym Expansion - Phase 2	300,000						300,000				
Forestry Tree Plantings	30,000						30,000		65,000		
Mt. Hope Cemetery Improvements	130,000						65,000				
	1,589,606	-	-	-	-	-	1,424,606	-	165,000	-	

(continued)

(continued)

FY 2009 Capital Improvement Program

Project	Funding Sources									
	FY 2009 Appropriation	General Fund	Garage Fund	Parking Fund	Street Funds	Sewer Fund	Parks Millage	Special Assessments	Grants/ Trusts	Bonds/ Loans
Public Services/Transportation										
CSO Eligible Roads - Sewer Revolving Loan Program	4,940,000									4,940,000
CSO Ineligible Roads - Sewer Fund Share	1,230,000									1,230,000
CSO Ineligible Roads - General Fund Share	2,730,000									2,730,000
Road/STP Federal Aid Project	2,650,000				1,000,000					
Road Construction - Major Streets	1,500,000				1,500,000				1,650,000	
Road Construction - Local Streets	500,000				500,000					
Grand Avenue Enhancement	900,000									
Bridge Rehabilitation	1,305,000				450,000					
Traffic Signalization Upgrades	125,000				125,000					
Major Street Sidewalk Gap Closure Program	230,000				150,000			80,000		
Sidewalk Repair Program	220,000							65,000		
Stormwater Phase II Permit	60,000									
CSO Design and Construction	31,320,000	155,000								31,320,000
City Share of Sanitary Sewers	560,000	60,000				560,000				
City Share Delhi Sewers	5,000					5,000				
City Share Delta Sewers	5,000					5,000				
Pump Station Repairs	200,000					200,000				
Wastewater Bar Screen Improvement	2,100,000					2,100,000				
Wastewater Solids Handling Modification	1,300,000					1,300,000				
Wastewater Plant Improvements	700,000					700,000				
Wastewater Roof Replacement Project	250,000					250,000				
Wastewater Communications Project	565,000					565,000				
Central Interceptor Rehabilitation & Manhole Replacement	885,000					885,000				
Hazel/River Diversion Chamber	100,000					100,000				
Misc. CSO Inflow & Infiltration	220,000									220,000
Subtotal	54,600,000	215,000	-	-	3,725,000	6,670,000	-	145,000	3,055,000	40,790,000
Fleet Services										
Vehicle & Equipment Purchases	1,870,100	-	1,711,100	22,000	-	137,000	-	-	-	-
Total Capital Projects - FY 2008/2009	64,472,706	1,448,000	2,031,100	2,092,000	3,725,000	6,807,000	1,424,606	145,000	3,570,000	42,930,000
Available Fund Balance in the Capital Projects Fund		455,000								
Net General Fund New Cost		993,000								

Note: "CSO" stands for Combined Sewer Overflow, a sewer separation project mandated by the U.S. Environmental Protection Agency and the Michigan Department of Environmental Quality